

RECORD OF COMMUNICATION

February 23, 2018

Summary of Meeting (conference call) focused on Powertech's (PT) Comments on EPA's proposed aquifer exemption.

Lisa Scheinost, Powertech Licensing and Compliance Engineer

John Mays, Powertech COO

Blake Steele, Powertech

Valois Shea, EPA

Douglas Minter, EPA

Starting at 9 am, EPA and Powertech discussed the following topics to provide EPA clarification on Powertech's comments:

1. **Pressure step rate test (SRT) procedures and location for determining the fracture gradient of the Inyan Kara.** Powertech described different approaches and locations for conducting SRTs. Options include one running one SRT in Section 33 or SRTs at different depths.
2. **Options for drilling into the Deadwood formation under the Class V permit.** We discussed if there are any benefits from drilling this deep and if there are other ways to characterize the base of the Minnelusa to ensure hydraulic confinement to protect the underlying Madison as a USDW.
3. **Reconsidering the current AE delineation boundaries:** If Powertech wishes to propose changes, EPA would consider any changes and then public notice by specifically requesting comment on these changes. This could be done after wellfield operations/injection commence as long as ISR can safely occur within the current delineated areas. Powertech will respond on how they wish to proceed.
4. **December 15, 2015, USFWS Letter to Powertech regarding need for an eagle "take" permit:** We discussed Powertech's baseline wildlife report and how Powertech would commence operations without the take permit in place (e.g., starting in the Burdock area further away from eagle habitat).
5. **Avian Management Plan:** This is a SD Game and Fish and DENR requirement and Powertech will submit this after it has obtained all federal permits and a State large scale mine permit. It will have to update its wildlife report before its submits this Plan to the State. A number of mitigation measures for protecting endangered species are already approved in the approved NRC license.
6. **Well 16:** Lisa spoke with DENR who confirmed that the classified use of the well could be changed by letter of request by Powertech (e.g., to a "monitoring/observation" well). However, PT would have to figure out if it would need to provide another source of stock water to the land owner under this new classification. EPA committed to provide feedback on this proposed approach.

We agreed to let PT know later when we would be ready to schedule our next call. Conference call concluded at 10:15 am.